

TRI-COUNTY SCHOLARSHIP FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014



SOBEL & CO. LLC

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

TRI-COUNTY SCHOLARSHIP FUND

DECEMBER 31, 2015 AND 2014

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Tri-County Scholarship Fund
Parsippany, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of Tri-County Scholarship Fund ("Fund"), a New Jersey nonprofit corporation, which comprises the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Scholarship Fund as of December 31, 2015 and 2014, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sobel & Co, LLC

Certified Public Accountants

Livingston, New Jersey
June 14, 2016

TRI-COUNTY SCHOLARSHIP FUND
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2015	2014
ASSETS		
Cash and cash equivalents	\$ 485,786	\$ 410,916
Investments	1,847,839	1,889,738
Contributions receivable, net of allowance for uncollectible accounts of \$5,000 and \$7,500 in 2015 and 2014, respectively	158,303	232,050
Prepaid expenses	3,170	2,991
Office equipment and software, net	11,954	14,942
Total Assets	<u>\$ 2,507,052</u>	<u>\$ 2,550,637</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable	\$ 13,922	\$ 2,442
Scholarships payable	519,500	498,990
Total Liabilities	<u>533,422</u>	<u>501,432</u>
COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Unrestricted:		
General	80,528	109,051
Board-designated for endowment	515,491	527,180
	<u>596,019</u>	<u>636,231</u>
Temporarily restricted	270,687	306,050
Permanently restricted endowment	1,106,924	1,106,924
Total Net Assets	<u>1,973,630</u>	<u>2,049,205</u>
Total Liabilities and Net Assets	<u>\$ 2,507,052</u>	<u>\$ 2,550,637</u>

TRI-COUNTY SCHOLARSHIP FUND
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	Year Ended December 31, 2015				Year Ended December 31, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:								
Fundraising events:								
Annual dinner	\$ 732,397	\$ -	\$ -	\$ 732,397	\$ 630,403	\$ -	\$ -	\$ 630,403
Less: Cost of event	114,500	-	-	114,500	138,875	-	-	138,875
	<u>617,897</u>	<u>-</u>	<u>-</u>	<u>617,897</u>	<u>491,528</u>	<u>-</u>	<u>-</u>	<u>491,528</u>
Golf tournament	155,209	-	-	155,209	142,241	-	-	142,241
Less: Cost of event	79,174	-	-	79,174	53,513	-	-	53,513
	<u>76,035</u>	<u>-</u>	<u>-</u>	<u>76,035</u>	<u>88,728</u>	<u>-</u>	<u>-</u>	<u>88,728</u>
Fundraising Events, Net	693,932	-	-	693,932	580,256	-	-	580,256
Individual donations	425,016	-	-	425,016	495,622	-	-	495,622
Grants and corporate foundations	159,500	117,859	-	277,359	111,000	124,696	-	235,696
Interest and dividends	24,117	61,956	-	86,073	56,550	39,541	-	96,091
Realized and unrealized (loss) gain on investment securities	(35,806)	(92,166)	-	(127,972)	(10,179)	51,002	-	40,823
	<u>1,266,759</u>	<u>87,649</u>	<u>-</u>	<u>1,354,408</u>	<u>1,233,249</u>	<u>215,239</u>	<u>-</u>	<u>1,448,488</u>
Satisfaction of time and expense restrictions	123,012	(123,012)	-	-	218,636	(198,636)	(20,000)	-
Total Support and Revenue	<u>1,389,771</u>	<u>(35,363)</u>	<u>-</u>	<u>1,354,408</u>	<u>1,451,885</u>	<u>16,603</u>	<u>(20,000)</u>	<u>1,448,488</u>
EXPENSES:								
Program:								
Scholarship and leadership	1,070,990	-	-	1,070,990	1,044,745	-	-	1,044,745
Support:								
Fundraising	159,642	-	-	159,642	117,219	-	-	117,219
General and administrative	199,351	-	-	199,351	202,272	-	-	202,272
Total Support	<u>358,993</u>	<u>-</u>	<u>-</u>	<u>358,993</u>	<u>319,491</u>	<u>-</u>	<u>-</u>	<u>319,491</u>
Total Expenses	<u>1,429,983</u>	<u>-</u>	<u>-</u>	<u>1,429,983</u>	<u>1,364,236</u>	<u>-</u>	<u>-</u>	<u>1,364,236</u>
CHANGES IN NET ASSETS	(40,212)	(35,363)	-	(75,575)	87,649	16,603	(20,000)	84,252
NET ASSETS, Beginning of year	636,231	306,050	1,106,924	2,049,205	548,582	289,447	1,126,924	1,964,953
NET ASSETS, End of year	<u>\$ 596,019</u>	<u>\$ 270,687</u>	<u>\$ 1,106,924</u>	<u>\$ 1,973,630</u>	<u>\$ 636,231</u>	<u>\$ 306,050</u>	<u>\$ 1,106,924</u>	<u>\$ 2,049,205</u>

The accompanying notes are an integral part of these financial statements.

TRI-COUNTY SCHOLARSHIP FUND
STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2015	2014
CASH FLOWS PROVIDED BY (USED FOR):		
<u>OPERATING ACTIVITIES:</u>		
Changes in net assets	\$ (75,575)	\$ 84,252
Adjustments to reconcile changes in net assets to net cash provided by (used for) operating activities:		
Allowance for uncollectible accounts	(2,500)	7,150
Depreciation	2,988	2,367
Donated securities	(20,473)	-
Loss (gain) on investments	127,972	(40,823)
Changes in certain assets and liabilities:		
Contributions receivable	76,247	(63,450)
Prepaid expenses	(179)	(143)
Accounts payable	11,480	(9,604)
Scholarships payable	20,510	(104,160)
Net Cash Provided by (Used for) Operating Activities	<u>140,470</u>	<u>(124,411)</u>
<u>INVESTING ACTIVITIES:</u>		
Purchase of office equipment	-	(14,942)
Proceeds from sale of securities	322,562	449,013
Purchases of securities	(388,162)	(358,398)
Net Cash (Used for) Provided by Investing Activities	<u>(65,600)</u>	<u>75,673</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	74,870	(48,738)
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>410,916</u>	<u>459,654</u>
End of year	<u>\$ 485,786</u>	<u>\$ 410,916</u>

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - NATURE OF ACTIVITIES:

Tri-County Scholarship Fund (“Fund”) is a New Jersey not-for-profit corporation formed to provide quality education through financial support of deserving and economically disadvantaged children, regardless of race, religion, or national origin. The Fund raises money for these scholarships and its other programs through subscriptions, donations, gifts and special events.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation:

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Fund and changes therein are classified and reported as follows:

Unrestricted Net Assets

Net assets not subject to donor-imposed stipulations and currently available for use by the Fund’s Board of Trustees.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Fund and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as satisfaction of time and expense restrictions.

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Fund. Generally, the donors of these assets permit the Fund to use all or part of the income earned on any related investments for general or specific purposes.

Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in bank accounts, as well as certificates of deposit with original maturities of three months or less.

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fair Value Measurements:

Fair value measurements are defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three defined hierarchical levels based on the quality of inputs used that directly relate to the amount of subjectivity associated with the determination of fair value.

The fair value hierarchy defines the three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3: Valuations based on unobservable inputs that are used when little or no market is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

The fair value of investments are as follows:

Mutual funds – Valued at the net asset value of shares held by the Fund at year-end.

Partnership interest – Shares are valued by an independent third-party biannually.

Donated stock:

Donated stock, goods and services are recorded as contributions at their estimated fair value at the date of donation. The amount of donated stock for the year ended December 31, 2015, was \$20,473.

Contributions:

Contributions, including unconditional pledges, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Pledges are recognized when the conditions on which they depend are substantially met. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction.

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Contributions Receivable:

Contributions receivable that are expected to be collected within one year are recorded at their net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. As of the years ended December 31, 2015 and 2014, a discount was not necessary.

Contributions Receivable Allowance:

The Fund utilizes the reserve method of accounting for uncollectible pledges. The reserve is based on historical experience and management evaluation of outstanding accounts receivable at the end of each year.

Office Equipment and Software:

Equipment and software is recorded at cost. Depreciation is recorded using the straight-line method over the estimated useful life of the asset.

Scholarships:

Scholarships are paid in two equal installments. The first installment is payable during the year and the second installment is made in the subsequent period. A payable is set up for the second payment.

Functional Expenses:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Fund.

Reclassifications:

Certain amounts have been reclassified in the 2014 financial statements to conform to the 2015 presentation.

Use of Estimates:

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's best estimates and judgment. Actual results could differ from those estimates.

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Income Taxes:

The Fund is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and, accordingly, is not liable for federal and state income taxes.

The Fund follows accounting standards that provide clarification on accounting for uncertainty in income taxes recognized in the Fund's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Fund's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. The tax years subject to audit by federal and state jurisdictions are the years 2012 and forward. No interest and penalties were recorded during the years ended December 31, 2015 and 2014. At December 31, 2015 and 2014, there are no significant income tax uncertainties.

NOTE 3 - INVESTMENT SECURITIES:

Investments are summarized as follows:

FAIR VALUE MEASUREMENTS
AS OF DECEMBER 31, 2015

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Mutual funds	\$1,847,839	\$ -	\$ -	\$1,847,839

FAIR VALUE MEASUREMENTS
AS OF DECEMBER 31, 2014

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Mutual funds	\$1,889,738	\$ -	\$ -	\$1,889,738

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 3 - INVESTMENT SECURITIES: (Continued)

The following schedule summarizes the mutual funds by strategy:

	December 31,	
	2015	2014
Foreign Large Blend	6%	6%
Real Estate	4%	6%
Small Growth	2%	4%
Long/Short Equity	6%	8%
Large Blend	24%	23%
Large Growth	11%	10%
Large Value	11%	12%
Foreign Small/Mid Growth	2%	2%
Diversified Emerging Markets	2%	3%
World Bond	8%	7%
Multisector Bond	6%	6%
Corporate Bond	8%	7%
Multicurrency	2%	-
Preferred Stock	8%	6%
Total	<u>100%</u>	<u>100%</u>

	Level 3 Assets Year Ended December 31, 2015 <u>Partnership Interest</u>	Level 3 Assets Year Ended December 31, 2014 <u>Partnership Interest</u>
Balance, Beginning of year	\$ 104,549	\$ 104,549
Contributions	-	-
Unrealized loss	<u>(104,549)</u>	<u>(104,549)</u>
Balance, End of year	<u>\$ -</u>	<u>\$ -</u>

During the years ended December 31, 2015 and 2014, the Fund had an investment of 100,000 shares in a limited partnership. As of June 30, 2014, an independent third-party valued the Partnership interest at \$.23 per share, amounting to approximately \$23,000. Because of the inherent uncertainty of valuation for the Fund's investment in the limited partnership, and for certain underlying investments held by them, which are not readily marketable, values for those investments may differ significantly from values that would have been used had a readily marketable value for them existed. Based on this a full valuation of the investment was taken as of December 31, 2015 and 2014, respectively.

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 4 - CONDITIONAL PLEDGE:

During the year ended December 31, 2013, a donor agreed to donate \$50,000 per year through 2017 for scholarship support for students in Morris County provided that the Fund raise \$50,000 in additional matching funds from new or increased nongovernmental sources by May 1st in each year of the four-year conditional pledge. As of December 31, 2015 and 2014, the Fund had met the requirements of the pledge and the amount was received and recorded in individual donations on the statement of activities and changes in net assets.

NOTE 5 - OFFICE EQUIPMENT AND SOFTWARE:

Office equipment and software are comprised as follows:

	Useful Life	December 31,	
		2015	2014
Office equipment	5 Years	\$ 38,182	\$ 50,017
Computer software	3 Years	9,793	9,793
Total Fixed Assets		47,975	59,810
Less: Accumulated depreciation		36,021	44,868
Office Equipment, Net		<u>\$ 11,954</u>	<u>\$ 14,942</u>

NOTE 6 - LEASING ARRANGEMENTS:

The Fund rents space under an operating lease expiring April 2017. Rent is payable in monthly installments of \$1,894. Rent expense was \$22,701 and \$21,050 for years ended December 31, 2015 and 2014, respectively. The Fund is also responsible for its pro rata share of real estate taxes and operating expenses. The Fund rents equipment under operating leases that expire at various dates through 2018. Equipment rental expense was \$4,200 and \$4,550 for years ended December 31, 2015 and 2014, respectively.

Future minimum rental payments under the office and equipment leases are as follows:

Year Ending	Amount
December 31,	
2016	\$ 26,928
2017	11,776
2018	2,800
Total	<u>\$ 41,504</u>

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
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NOTE 7 - CONCENTRATIONS OF RISK:

Financial instruments that expose the Fund to concentrations of credit risk consist primarily of cash, cash equivalents, and investments. The Fund maintains its cash and cash equivalents in accounts with federally insured institutions. At times, the balances in these accounts may be in excess of federally insured limits.

The Fund's investments are concentrated with mutual funds. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of financial position.

The Fund raised approximately 53% and 43% of its total support and revenue during the years ended December 31, 2015 and 2014, respectively, from its annual dinner.

NOTE 8 - ENDOWMENT FUNDS:

The Fund's permanently restricted net assets consist of nine separate funds. These funds include donor-restricted funds functioning as endowments funds. Net assets associated with endowment funds are classified, and reported based on the existence of donor-imposed restrictions.

The Fund follows accounting standards that provide clarification on accounting for donor-restricted endowment funds. The guidance prescribes that the portion of donor-restricted endowment funds that are classified as permanently restricted should not be reduced by losses on the investment of the fund or the Fund's appropriations from the fund.

The Board of Trustees' interpretation requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this, the Fund classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment, and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment funds that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Fund. The Fund considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the scholarship program
- (2) The purposes of the Fund and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Fund
- (7) The investment policies of the Fund

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - ENDOWMENT FUNDS: (Continued)

The Board of Trustees' primary objective, in this regard, is to add value and minimize risk in managing the assets of the Fund while providing a hedge against inflation into the future. It is the intent of the Board of Trustees to grow the endowment and utilize the total return (income plus capital change) to further the mission of the Fund. In recognition of the prudence required of fiduciaries, reasonable diversification of quality investment securities will be sought where possible, knowing that fluctuating rates of return are a characteristic of the investment market and performance cycles cannot be accurately predicted.

The funds may be held in individual securities or mutual funds, may be comprised of domestic and international securities, and will be further diversified into asset classes by their market capitalization.

The Fund may distribute the calendar-year income (without regard to unrealized gains or losses) generated from the endowment funds in the subsequent year, but in no event can the distribution exceed 5% of the fund balance at the end of the previous year. Income is defined as dividends, interest, and net realized gains. Based on the spending policy the maximum distribution allowed for 2015 is \$92,392.

Endowment Net Asset Composition by type of fund at December 31, 2015, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 225,424	\$ 1,106,924	\$ 1,332,348
Board-designated endowment funds	515,491	-	-	515,491
	<u>\$ 515,491</u>	<u>\$ 225,424</u>	<u>\$ 1,106,924</u>	<u>\$ 1,847,839</u>

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - ENDOWMENT FUNDS: (Continued)

Changes in Endowment Net Assets, including Board-designated funds for the year ended December 31, 2015, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of year	\$ 527,180	\$ 255,634	\$ 1,106,924	\$ 1,889,738
Investment return:				
Investment income	24,117	61,956	-	86,073
Net depreciation of realized and unrealized loss	(35,806)	(92,166)	-	(127,972)
Total Investment Return	(11,689)	(30,210)	-	(41,899)
Contributions	-	-	-	-
Appropriation for expenditure	-	-	-	-
Endowment Net Assets, End of year	\$ 515,491	\$ 225,424	\$ 1,106,924	\$ 1,847,839

Endowment Net Asset Composition by type of fund at December 31, 2014, is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 255,634	\$ 1,106,924	\$ 1,362,558
Board-designated endowment funds	527,180	-	-	527,180
	\$ 527,180	\$ 255,634	\$ 1,106,924	\$ 1,889,738

TRI-COUNTY SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - ENDOWMENT FUNDS: (Continued)

Changes in Endowment Net Assets, including Board-designated funds for the year ended December 31, 2014, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of year	\$ 660,867	\$ 165,091	\$ 1,126,924	\$ 1,952,882
Investment return:				
Investment income	56,550	39,541	-	96,091
Net (depreciation) appreciation of realized and unrealized (losses) gains	(10,237)	51,002	-	40,765
Total Investment Return	46,313	90,543	-	136,856
Contributions	20,000	-	-	20,000
Appropriation for expenditure	(200,000)	-	(20,000)	(220,000)
Endowment Net Assets, End of year	\$ 527,180	\$ 255,634	\$ 1,106,924	\$ 1,889,738

NOTE 9 - SUBSEQUENT EVENT:

In May 2016, the Fund received a final distribution in the amount of \$8,688 for the investment in the limited partnership.